

# Fiscal Note

State of Alaska  
2023 Legislative Session

Bill Version:	CSSB 138(FIN)
Fiscal Note Number:	2
(S) Publish Date:	5/13/2023

Identifier: SB138CS(FIN)-OOG-DOE-5-12-23  
 Title: ELECTIONS; VOTER REG.; CAMPAIGNS  
 Sponsor: STATE AFFAIRS  
 Requester: (S) Finance

Department: Office of the Governor  
 Appropriation: Elections  
 Allocation: Elections  
 OMB Component Number: 21

**Expenditures/Revenues**

Note: Amounts do not include inflation unless otherwise noted below. (Thousands of Dollars)

	FY2024	Included in	Out-Year Cost Estimates				
	Appropriation Requested	Governor's FY2024 Request	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
<b>OPERATING EXPENDITURES</b>	<b>FY 2024</b>	<b>FY 2024</b>					
Personal Services	40.3		40.3	40.3	40.3	40.3	40.3
Travel							
Services	302.0		222.0	222.0	222.0	222.0	222.0
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous							
<b>Total Operating</b>	<b>342.3</b>	<b>0.0</b>	<b>262.3</b>	<b>262.3</b>	<b>262.3</b>	<b>262.3</b>	<b>262.3</b>

**Fund Source (Operating Only)**

1004 Gen Fund (UGF)	342.3		262.3	262.3	262.3	262.3	262.3
<b>Total</b>	<b>342.3</b>	<b>0.0</b>	<b>262.3</b>	<b>262.3</b>	<b>262.3</b>	<b>262.3</b>	<b>262.3</b>

**Positions**

Full-time							
Part-time							
Temporary							

**Change in Revenues**

None							
<b>Total</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

**Estimated SUPPLEMENTAL (FY2023) cost:** 0.0 *(separate supplemental appropriation required)*

**Estimated CAPITAL (FY2024) cost:** 5,625.0 *(separate capital appropriation required)*

**Does the bill create or modify a new fund or account?** No  
*(Supplemental/Capital/New Fund - discuss reasons and fund source(s) in analysis section)*

**ASSOCIATED REGULATIONS**

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? **Yes**  
 If yes, by what date are the regulations to be adopted, amended or repealed? **07/01/24**

**Why this fiscal note differs from previous version/comments:**

The current CS version removed the section requiring the purchase of drop boxes.
--

Prepared By: Carol Beecher, Director  
 Division: Division of Elections  
 Approved By: Cheri Lowenstein, Administrative Director  
 Agency: Office of the Governor

Phone: (907)465-4611  
 Date: 05/12/2023 02:00 PM  
 Date: 05/12/23

REPORTED OUT OF  
SFC 05/12/2023

## FISCAL NOTE ANALYSIS

STATE OF ALASKA  
2023 LEGISLATIVE SESSION

## Analysis

This legislation proposes numerous revisions to Alaska's election laws impacting the Division of Elections' services and procedures for all state-administered elections beginning with the 2024 primary and general elections.

Significant changes include changes to rules for determining residence of voters, ability to challenge residence, designing and implementing risk limiting audits, counting absentee ballots before election day, implementing an online ballot tracking system, establishing procedures for curing uncounted ballots, providing postage-paid return envelopes, modifying the voter registration system for language preference, and implementing a signature verification system.

Timing Note: It may not be feasible to implement a signature verification system in time for the 2024 primary and general elections. A system would have to be procured, purchased, and deployed within a very short timeframe. Training would also have to be conducted for staff in each region.

The division estimates that these changes will require the following unrestricted general fund (UGF) expenses:

## Primary and General Election Cycle Operating Expenses Beginning in FY24:

## Personal Services:

\$80.5 (Seven non-permanent Election Clerks, range 12, to address ballot curing processes)

## Services:

\$140.0 Postage for prepaid envelopes

\$110.0 First year for envelopes printed to meet signature and barcode requirements. Approximately \$60.0 after year one.

\$ 6.0 Annual software maintenance and licensing

\$ 8.0 Election Board Services

\$ 40.0 BallotTrax or similar ballot tracking subscription

\$150.0 Signature Verification system - ongoing support

\$ 40.0 Training for signature validation process

## FY24 Capital Costs for new systems and items required by this legislation:

\$5,125.0 Signature Verification system implementation in each region.

\$ 500.0 Voter registration system modifications for language preference.

Funding note: Beginning in FY17, the operating cost of holding primary and general elections every two years was divided in half to reduce volatility in the final authorized budget of the Division of Elections while allowing for sufficient funding to conduct elections. In keeping with that practice, the above listed costs would be split in half each fiscal year to smooth the funding requirement of this legislation, and included as two-year language items in an operating budget appropriations bill.

## Passage of this legislation would require the following regulation changes:

6 AAC 25.650. Permanent absentee voter regulations to include the option for permanent absentee ballot packages.

New regulations for postage-paid return envelopes for absentee ballots

New regulations for ballot curing process.

New regulations would be needed to define a process for submitting an electronic image of an applicant's signature

New regulations for same day registration